

Memorandum



Date: September 7, 2004

To: Honorable Chairperson Barbara Carey-Shuler, Ed.D.
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

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Subject: Information for First Budget Hearing – FY 2004-05 Resource Allocation Plan

Attached are the recommended FY 2004-05 budget and millage ordinances for your consideration at the first budget hearing on September 7, 2004. These ordinances reflect the proposed millage rates approved on July 27. You should be aware that pursuant to state law, the tentative millage rates you approve at the first budget hearing cannot be raised at the second budget hearing on September 23.

The ordinances also incorporate technical changes and adjustments, corrections of scrivener's errors (such as a modification to interlocal agreements with the Public Defender and the Guardianship Program as a result of the implementation of Revision 7 to Article V to cover a period of five quarters, instead of four quarters, for services rendered), revisions resulting from Commission actions subsequent to the release of the Proposed Budget (such as the adjusted budget for the Performing Arts Center Construction Project) and current estimates of grants for agencies and departments (such as Human Services, Homeless Trust, Fire and Rescue, and the Community Action Agency). In addition, cash carryover for proprietary funds, such as Solid Waste Management, Office of Community and Economic Development, and Fire and Rescue have been adjusted where appropriate.

In my Budget Message, I committed to review several budget issues regarding organizational structure and service levels over the course of the summer. Since the submission of the FY 2004-05 Proposed Resource Allocation Plan, my staff, the Office of Strategic Business Management, and various County departments worked to complete the analyses for my review. I have met with my management team to review the results of those analyses and develop recommendations for Board consideration. This report provides updates and recommendations on those issues.

I have scheduled meetings with each of you to review your budget concerns. It is my intention to report to you before the second budget hearing with recommendations regarding the issues raised at our meetings.

RECOMMENDATIONS

It is customary at this time to provide the Board with a budget update based upon the latest available financial information. The budget modifications that we are recommending at this time are detailed below; however, we have not yet completed review of the August financial reports and will have additional recommendations for the Board prior to the second budget hearing. In particular, at that time, we will provide a detailed report on adjustments to the general fund which will include recommended funding mechanisms to cover costs associated with the general fund initiatives identified in this report.

1. Animal Services Department

The Office of Strategic Business Management (OSBM) conducted a review of the Animal Services Unit. Attachment A is the report that addresses the organizational placement, funding, service priorities, facilities, community relations, and partnerships. Attachment I includes the revised Tables of Organization for Miami-Dade Police Department (MDPD) and the Animal Services Department. Upon careful consideration of all the options, I have decided to create a separate Animal Services Department. The Animal Services Department will have three primary responsibilities: animal care and shelter operations; outreach, education and marketing; and code enforcement and licensing. I have begun the recruitment of a qualified animal services administrator. I am looking for an individual with experience and a proven track record in animal care and sheltering to lead this department.

I would like to thank the staff of the MDPD for managing the Animal Services Unit and taking on this responsibility over the last few years. MDPD will continue to operate the Animal Services Unit until the new director is hired, which is scheduled to occur by the end of the calendar year. After the Unit is separated from MDPD, the sworn officers currently assigned to the Animal Services Unit will be assigned to other police duties within MDPD. Costs associated with the creation of a separate department will be offset by savings generated from the transition from sworn to civilian personnel. Further adjustments may be necessary at the time of the mid-year budget amendment.

Both the OSBM study and the Humane Society of the United States study, which we anticipate receiving in September, will provide short-term and long-term goals for the new director and department. The new director will be tasked with developing partnerships with community members and private organizations to bring the operations of Animal Services to a new level.

2. Juvenile Services Department

As recommended in the FY 2004-05 Resource Allocation Plan, the juvenile assessment and diversion programs located in the Juvenile Assessment Center (JAC) and located in the Department of Human Services will be combined into a single department, the Miami-Dade Juvenile Services Department. The affected departments worked with the Employee Relations Department and the Office of Strategic Business Management over the summer to determine the proper organizational structure, funding, and an implementation plan. The implementation plan includes review of the consolidation with all critical stakeholders by mid-September, resolution of all staff issues and training of supervisory personnel by early October, complete cross-training, close remote sites and consolidate the staff in the current JAC facilities during the first quarter of FY 2004-05.

Anticipated benefits of the consolidation include expanding diversion operations to 24 hours a day, using integrated technology to aggressively follow-up on arrested juveniles, reducing job classifications, allowing cross-training and efficiencies, using data management to measure recidivism and provide timely information to judges, and implementing a pilot program to address the special needs of arrested children under twelve. The consolidation is projected to produce an estimated \$385,000 of savings, though this figure is being refined. The recommended revised Tables of Organization are included in Attachment I.

3. International Trade Consortium

As stated in my budget message, it is crucial for the on-going economic vitality of the County to retain and increase international trade in our region. To that end, I recommend that the International Trade Consortium establish a position to study and develop a plan for the viability of an International Business Incubator focused on attracting additional commerce to our community. It is also recommended that a position be established to provide assistance in coordinating and planning visits of international dignitaries as a part of the overall County International business functions. The cost associated with the staff as well as operating and support costs total \$271,000. The funding mechanism for this recommendation will be provided before the second budget hearing.

4. Economic Analysis

In my budget message, the creation of an economic analysis unit in my office was discussed. This concept was an outgrowth of the Comprehensive Development Master Plan Economic Element approved by the Board on April 14, 2004.

The Socio-Economic Development Council (SEDC) was a key proponent of the Element and has advocated for an office dedicated to oversee the coordination and implementation of Socio-Economic Development efforts and of the Economic Element. I concur with the need to enhance and ensure the coordination of functions, activities, and programs that impact social and economic planning and development. It is my recommendation to create the position of Socio-Economic Policy Coordinator (SEPC) for an individual with a background in economics and public administration dedicated to these activities. This executive level position will report to my office, be provided with administrative support from the Office of Strategic Business Management (OSBM), and draw professional support from other departments and agencies such as Community and Economic Development, Task Force on Urban Economic Revitalization, Human Services, Community Action Agency, and Planning and Zoning. The SEPC will provide assessments and recommendations relative to socio-economic impact/outcome of current and potential projects, programs, policies, and activities, including suggestions for modifications to enhance the effectiveness of the County's Resource Allocation process.

Placement of the position within OSBM will allow for a close working relationship regarding implementation of the County's Strategic Plan as it relates to socio-economic goals and in developing pertinent performance measures. Working with the Assistant County Manager responsible for economic development initiatives, the SEPC will be well-positioned to establish a Socio-Economic Development Policy Task Force that can draw on key department directors whose departmental business plans have socio-economic priority outcomes. Through my office, the SEPC will interface with the SEDC and participate in periodic reporting to the Board. The working title SEPC will have the equivalent job classification of a Senior Budget Analyst and will be phased-in during FY 2004-05, funded through the General Fund (\$75,000 budgeted for FY 2004-05). The funding mechanism for this recommendation will be provided before the second budget hearing.

5. Team Metro/Answer Center and Neighborhood Code Compliance

In my January 30 memorandum, two of the recommended priorities I identified are the delivery of timely and responsive neighborhood services and improved community outreach and awareness. Over the summer, staff from my office, the Office of Strategic Business Management, and Team Metro were tasked with working together to identify and highlight

recommendations that would improve countywide customer services consistent with the implementation of the Answer Center and the transformation of this function to be more community-wide. In addition, staff looked at improving code compliance services in the unincorporated area.

Attachment B provides a detailed analysis of how we plan to improve customer service deliverables countywide through the implementation of the Answer Center and makes recommendations concerning the provision of code compliance and outreach services.

Resources are serving dual conflicting missions and staff often must take time from one function to the detriment of their core mission. Previously, there has been discussion regarding the removal of code compliance activities from Team Metro's area of responsibility. However, previous recommendations were not adopted and Team Metro continued to function with often-conflicting roles as both a customer service outreach function and as an enforcer of County codes. I believe the best solution to improving and strengthening the two main functions of the current Team Metro Department is to change our business practices in these areas.

Research indicates that other neighborhood services and customer service departments around the country are solely dedicated to providing outreach and customer services. Considering the role of the Answer Center and the fact that our outreach services in Team Metro should be broadened to a countywide perspective, I recommend that the Board approve the separation of code enforcement activities from Team Metro into a new department. This separation will allow Team Metro to develop a new identity and refocus its mission towards the provision of proactive countywide neighborhood and educational outreach services. The new Neighborhood Code Compliance Office (NCCO) will then dedicate its efforts and resources to neighborhood code compliance and constructively educating residents in the unincorporated areas with regard to code enforcement. Code enforcement officers will continue to deliver service in an educational, friendly manner focused on one mission.

It is important not to diminish current service levels. In that light, we recommend that services provided at the eight regional offices remain within their current boundaries for outreach services. Code compliance will be restructured and delivered in a regional manner that allows for better resource allocation. In addition, I believe staff's recommendation to encourage Team Metro staff to implement a one-stop countywide outreach agency with a myriad of town hall services will provide better access to government services. Some of these initiatives include central payment services, application intake for all County departments, volunteer corps, neighborhood care programs, promotion of County programs and activities, ticket sales and the government-on-the-go bus to name a few. This coordination is a natural extension of the 311 Answer Center function, which will serve as the County's regional call center.

We will continue reviewing options to standardize and centralize code enforcement activities in the County and report back to you on our progress. We will also develop a plan to expand beyond the mini-town hall concept at the Team Metro regional offices in order to continue our efforts to more aggressively communicate with our customers and get the County's message out to the community.

The proposed FY 2004-05 Team Metro budget has been reallocated between Team Metro (\$6.458 million) and NCCO (\$10.975 million) to adjust for these recommended changes. The total combined budget for these two offices equals the original Team Metro budget. Any other necessary revisions will be included in the mid-year budget amendment.

6. Communications

As part of my efforts to implement a well coordinated countywide marketing plan, improve media relations, and ensure that we are getting our message out to all of our community, I asked the Communications Director to review the Department's current organization and to submit any structural and funding recommendations required to meet our goals. Attachment C provides a comprehensive assessment of needs and staff requirements. Pursuant to that review, it is recommended that four positions (\$262,000) be added to the Communications Department to enhance outreach and public information efforts.

Also, it is recommended that the responsibility for audio/visual support for the Commission Chambers be transferred from the General Services Administration (GSA) to the Communications Department. The proposed transfer includes two positions, a Broadcast Engineer and an Assistant Broadcast Engineer. The funding (\$160,000) is recommended to be provided from the GSA budget and added to the budget for the Communications Department.

7. Office of Community Image

Over the past few years, we have made progress in providing enhanced beautification efforts along some of our County-maintained transportation rights-of-way and transportation gateways. The County's Community Image Advisory Board (CIAB) has been both an excellent vehicle and a successful advocate for state, county and municipal coordinated beautification efforts in this regard. The Public Works Department and Solid Waste Management have been tasked with roadway beautification, in part including design and maintenance of landscaping, as well as providing litter pick-up cycles along U.S. 1, the NW/SW 27th Avenue corridor, and other major roadways, while heavily traveled corridors are now supported by the CIAB program, I believe we can do more. Beautification is not and should not be limited to a number of major roadways; instead, it needs to be an effort to improve the community image across the County, regardless of whether the area of needed improvement is under the jurisdiction of the state, the County, or a municipality. The CIAB understands this and is requesting additional resources to meet this need. In fact, in order to further this goal, the CIAB recently added a significant number of arterials across the County to be part of the network of corridors to receive enhanced services in coordination with other jurisdictions.

CIAB coordination efforts to date are resulting in improved appearance of corridors and I concur that additional resources are needed. In an effort to further enhance beautification efforts such as landscaping and litter pick-up cycles across the County, I recommend the creation of the Office of Community Image (OCI). This office, through its Executive Director, will provide staff support to the CIAB and work with the Florida Department of Transportation, Miami-Dade Expressway Authority (MDX) as well as across County departments, and all municipalities to encourage and coordinate efforts to improve beautification along transportation corridors, gateways, and bridges, on public rights-of-way, and at major public facilities. The office will also be assigned the administration of the Adopt-A-Road program, which will be transferred from the Public Works Department to encourage more private sector participation in the enhancement and maintenance of major public roadways. In addition, it is recommended that the office serve as a County coordination office on all major corridor beautification efforts to include input on private property, improvement incentives and code enforcement. It is recommended that the office be staffed with one inspector to provide support to the Executive Director, as well as perform much needed fieldwork that would ensure that CIAB recommendations are implemented.

Aside from the two staff members (\$193,000), the office includes an outreach program (\$50,000) through which OCI can distribute educational materials on reducing litter on public rights-of-way and work with local communities to identify opportunities for beautification. The total funding of \$243,000 for this office will come from the Countywide General Fund. The funding mechanism for this recommendation will be provided before the second budget hearing.

As part of its charge, this new office will study the feasibility of implementing a neighborhood/beautification matching grant program in coordination with local organizations. The program would support beautification, landscaping, and litter pick-up programs by providing matching funds to local neighborhood organizations.

8. Procurement Management

In the FY 2004-05 Proposed Resource Allocation Plan, we recommend the continuation of the User Access Program (UAP), a two percent deduction on purchases by County departments and other governmental, quasi-governmental, and non-profit entities, utilizing DPM established contracts to fund the operations of the Department of Procurement Management (DPM). The program allows for a two percent deduction on all vendor invoices for new contracts and negotiated modifications of existing contracts, including renewals. Included in the UAP are one-time, term, blanket, and pool contracts issued by DPM, and the contracts of other jurisdictions accessed by DPM for the County. For FY 2004-05, the department has budgeted \$2.4 million in UAP revenues.

In light of federal rules limiting application of the UAP contracts involving federal funds and in consideration of the impact of the application of the UAP on revenue generating contracts, several adjustments should be formalized. Small purchase orders issued by County departments, contracts involving federal funds, employee benefits contracts, some revenue generating contracts, and contracts with Board established rates (towing, etc.) are recommended to be excluded from the UAP.

9. Performing Arts Center Trust

As discussed when the Performing Arts Center project realignment was considered by the Board on July 27, 2004, the Director of the Office of Strategic Business Management (OSBM) has worked closely with the Performing Arts Center Trust to assist in responsibly refining the pre- and post-opening costs of the Trust. As a result of the meetings, it is recommended that \$1.85 million in funding be provided to the Trust for costs related to FY 2004-05 pre-opening operations of the Performing Arts Center from Convention Development Tax Funds. We will continue to work with the Trust to identify future operating needs.

10. Planning and Zoning

The locations of the three charrettes funded for FY 2004-05 by the Department of Planning and Zoning (DP&Z) have not yet been determined. Requests for charrettes have been made by Commissioners and Community Councils. Based on input received from the Board, a recommendation regarding the locations will be provided before the second budget hearing.

A review of the zoning application fee and other land use function fees that was planned for this summer is being postponed. DP&Z will address a possible change in the zoning application charges to defray costs associated with the legal support of zoning functions and other land use functions with the industry later in FY 2004-05.

The staffing level for DP&Z is recommended to be 165 positions (Proposed Resource Allocation Plan shows 164). This corrected number includes the addition of a Landscape Reviewer position that was approved during the current fiscal year in order to perform landscape plans review within 24 to 48 hours.

11. Summer Youth Employment Program

It is recommended that the Summer Youth Employment Program, currently administered by the Alliance for Human Services, be monitored and administered by the Department of Human Services (DHS) for FY 2004-05 in order utilize funds more efficiently and serve additional youth. Accordingly, it is recommended that the DHS budget be increased to reflect \$1 million for the Program, including \$100,000 for two additional positions to assist in monitoring and administering the program. The \$1 million in funding was originally included in the general fund non-departmental budget.

12. Child Development Services

On Tuesday, June 28, 2004, the Miami-Dade School Readiness Coalition Board of Directors voted to award the entire FY 2004-05 subsidized childcare contract to Miami-Dade County. As such, the DHS Child Development Services budget requires an adjustment to reflect additional funding of \$39.9 million for subsidized childcare, as well as an additional \$690,000 for a required general fund grant match. The grant match funds were originally included in the general fund non-departmental budget for this program and are therefore available. Sixty-six positions will be added to cover additional responsibilities. In addition, the budget requires an adjustment of \$421,000 to account for a net decrease in other recurring grants that were re-awarded after the FY 2004-05 Resource Allocation Plan was released. The net decrease affected operating costs only and does not negatively impact child care slots or positions.

13. Jack Orr Ranch

For over 27 years, the Department of Human Services has provided residential substance abuse treatment services in the Homestead area at the Jack Orr Ranch Treatment Program for all residents of Miami-Dade County. A mainstay in these services has been the provision of room and board services through a contractual agreement with the former property owner. However, the property's current owner, Kehoe Systems, Inc., is no longer interested in continuing the existing contract that expires on September 30, 2004. Although, County staff has explored options to continue services at the Jack Orr Ranch location, no satisfactory alternative has been identified.

We have determined that the most cost-efficient and effective alternative for the continuation of residential substance abuse treatment services beyond September 30, 2004, is the relocation of the service to the County-owned, 82-bed New Direction Residential Treatment Program at 3140 NW 76 Street in North Miami-Dade County. In order to address concerns regarding the availability of residential substance abuse treatment to South Miami-Dade County residents, a percentage of the beds at New Direction will be earmarked for priority placement for South Dade residents.

14. Tamiami Park Gymnasium

At the July 20, 2004 Building Better Communities Bond Program committee meeting, Commissioner Souto requested that a proposed Tamiami Park Basketball Gymnasium be included in the list of park projects for GOB funding. That project was inadvertently omitted from

the revised list approved by the Board. The total estimated project cost is \$6.542 million. In order to move this important project forward, \$50,000 of Capital Outlay Reserve funds will be made available subject to favorable passage of this bond program to begin the pre-design and consultant selection process.

15. Commission on Ethics and Public Trust and the Office of Inspector General

FY 2004-05 will be the first time the budgets for the Office of Inspector General (OIG) and the Commission on Ethics and Public Trust (COE) are presented separately. In the Proposed Resource Allocation Plan, the Office of Inspector General's budget includes \$1.655 million from the general fund and \$696,000 from the ¼ of one percent assessed on contract fees. The Commission on Ethics and Public Trust budget includes a proposed general fund allocation of \$1.056 million and a transfer of \$508,000 from the OIG from the ¼ of one percent charges to contract fees.

The OIG may use the ¼ of one percent on audits of all eligible contracts in accordance with Miami-Dade County's Code Section 2-1076(c)(6). In order to reflect all of the ¼ of one percent contract fees singly in the budget of the OIG, it recommended that the \$508,000 allocated to the COE from the ¼ of one percent be reallocated to the OIG. Concurrently, an equal amount is recommended to be taken from the OIG's general fund and allocated to the COE's budget. As a result of these actions, there is no change to either agency's total budget.

The COE has the responsibility to audit, interpret, and enforce the Election Financing Trust Fund established for the public financing of mayoral and county commission campaigns. Five mayoral candidates and seven county commission candidates have qualified to receive funding. In order for the COE to audit these accounts in a timely manner, additional resources may be required. The COE has estimated that the cost could be approximately \$120,000. Any necessary adjustments will be recommended in the mid-year amendment submitted to the Board next summer.

16. Park and Recreation

At the July 21, 2004 Recreation and Cultural Affairs Committee meeting, Commissioner Souto, sponsored a resolution directing the implementation of a quality control program at County parks. Included in this document is Attachment D, which addresses the Commissioner's concerns. Given the high cost to implement the enhanced quality control at County parks, I am recommending that the project be implemented in phases over several years.

Also at the July 21, 2004, Recreation and Cultural Affairs Committee meeting, Commissioner Souto introduced a resolution directing the replacement of all chain link fencing in Miami-Dade County parks with two-rail wood fencing, except where chain link fencing is necessary for operational or storage reasons. The Park and Recreation Department requested 90 days to complete a thorough inventory of the facilities and develop a cost estimate. We will report back to the Board by the end of October 2004.

At the request of Mayor Penelas, staff was requested to provide input concerning the feasibility of funding various needed improvements at Miami Metrozoo. Attachment D, discusses this issue. While there is no County funding identified in the FY 2004-05 Proposed Resource Allocation Plan to support those projects, \$13 million for improvements to Metrozoo, has been included in the Building Better Communities Bond Program (GOB). A portion of those funds could be set aside to fund the projects. In the event the GOB is not approved in November,

staff will work with the Park and Recreation Department and the Friends of Metrozoo to identify other sources of funding.

17. Community Action Agency

The County initiated the Project Impact Residential Shuttering Program in January 2002 with an allocation of \$1 million and a FEMA grant in the amount of \$317,000. From January 2002 through September 2003, this funding resulted in the installation of hurricane shutters on 844 homes with a head of household over 65 years of age and an income under \$20,000. In order to maximize grant funds and to continue to provide hurricane protection to low-income residents, it is recommended that \$117,000 be set aside in the grant match reserve in FY 2004-05 for this program. The program will result in the leveraging of \$900,000 from FEMA, which will fund the installation of hurricane shutters on 750 homes through June 2006, with a total match contribution from the County of \$300,000.

18. Elections

Due to anticipated additional security, additional early voting sites, as well as increased hours at these sites, election night pick-up of equipment, and added promotional expenses to assure voter confidence, it is recommended that the Elections Department's FY 2004-05 proposed budget be increased by \$600,000 for costs associated with the November 2 general election. The funding mechanism for this recommendation will be provided before the second budget hearing. Additionally, a year-end amendment will be required for FY 2003-04 to reflect an increase in expenses required for the August 31, 2004, countywide election.

19. Capital Budget Updates

Several capital projects in the FY 2004-05 Proposed Resource Allocation Plan require updating and correcting since publication in July. It is recommended that the following changes be made to the FY 2004-05 Proposed Capital Plan.

The Department of Solid Waste Management (DSWM) FY 2004-05 Multi-Year Capital Plan is recommended to be adjusted to include the City of North Miami Landfill Closure Grant (\$31.027 million), to be funded with Series 2005 Utility Service Fee (USF) Revenue Bonds. The DSWM is requesting an appropriation for two additional landfill closure projects, specifically the City of Homestead Landfill Closure Grant (\$7.5 million) and a City of Miami Landfill Closure Study Grant (\$650,000). The DSWM is also recommending that future year costs for the North Dade Landfill Gas Extraction System (Phase II) be increased by \$186,000 to account for inflation, the additional cost to be funded with future USF revenue bonds.

The following projects were inadvertently omitted from the Public Works Capital Plan: Beautification Improvements (\$3.325 million) from the Secondary Gas Tax, Road Resurfacing on Local Roads (\$2.05 million) from the Capital Improvement Local Option Gas Tax, NE 2 Avenue Reconstruction (\$300,000) from Road Impact Fees, SW 147 Ave Widening (\$626,000) from Road Impact Fees, South Miami Ave Improvements (\$840,000) from People's Transportation Plan bond proceeds, and the Street Lighting Retrofit Program (\$3.5 million) from People's Transportation Plan bond proceeds. These projects were included in the department's internal lists but were not printed in the FY 2004-05 Proposed Capital Plan.

The Miami-Dade Aviation Department has updated the estimated MIA Mover project Capital Budget due to a clarification of anticipated Florida Department of Transportation grant funding and anticipated cost savings due to more recent data on unit costs for peplemover

technologies being implemented nationwide. The cost is now estimated at \$285 million, including \$265 million for construction cost and \$20 million for financing costs, which is \$24 million less than had been printed in the FY 2004-05 Proposed Resource Allocation Plan.

The Telecommunications Facility Repair or Replacement Project to address the Richmond Tower (\$5 million) and the Corrections and Rehabilitation Facilities Fire Protection System Improvements Project (\$9.2 million) were inadvertently omitted from the Enterprise Technology Services Department FY 2004-05 Proposed Capital Plan. The total cost of the South Dade Government Center Americans with Disabilities Act (ADA) Improvements project was understated by \$1.747 million in the Capital Outlay Reserve; the additional funding is available to be funded from reduced debt service costs and additional carryover. This ADA project will begin in FY 2004-05 and continue into FY 2005-06.

20. Water and Sewer

The Water and Sewer Department is requesting that the Proposed Resource Allocation Plan be amended, changing the Revenue Fund budget to \$491.695 million from \$499.897 million. Included in the adjustments are a reduction in the transfer from the Rate Stabilization Fund to \$18.570 million from \$26.022 million, and a reduction in the transfer to the Renewal and Replacement Fund to \$30.376 million from \$47.852 million. Those changes are concomitant with various expenditures adjustments including an increase in the department's operating budget to \$262.089 million from \$254.569 million and an increase in the cash requirement for bonds to \$43.682 million from \$42.852 million. The staffing for the department decreases by 80 positions.

21. Pay Plan

It is recommended that the Board approve the FY 2004-05 Pay Plan. Language approving the FY 2004-05 Pay Plan is incorporated in the Self-Supporting Budget Ordinance. The Pay Plan contains changes and adjustments that update and clarify Pay Plan language and provisions. It also includes the addition of new classifications, the abolishment of obsolete classifications, and occupational code and title changes. The pay rates reflected in the Pay Plan will be administered in accordance with the provisions of the Living Wage Ordinance 99-44. The Pay Plan incorporates provisions of the collective bargaining agreements and other actions that have been previously approved by the Board.

As the Board is aware, a flat \$50 biweekly payment began as of July 2004, to all bargaining unit employees. The FY 2004-05 Pay Plan includes the first phase (\$25 biweekly) of extending that payment to non-bargaining unit employees excluding those in executive benefits groups 1, 2, and 3, as recommended in the FY 2004-05 Proposed Resource Allocation Plan.

22. Recommended Fee Adjustments

The Board is reminded that the Self-Supporting Budget Ordinance (Agenda Item F) includes the proposed fee changes that were recommended in the FY 2004-05 Proposed Budget. These proposed fee adjustments, pursuant to Resolution R-1018-94, were discussed with the public at Community Council meetings held throughout the County in August.

Consistent with past practice, the Miami-Dade Aviation Department (MDAD) landing fee is calculated semi-annually. MDAD has proposed the landing fee be increased effective October 1, 2004, to \$2.10 from \$2.03 per 1,000 pounds of landed weight. The Miami Airport Affairs Committee (MAAC), which includes attended by the majority-in-interest carriers at Miami

Airport, reviews the department's budget and the proposed landing fees. Additional recommended fee adjustments include an increase in concourse, gate and ticket counter fees. The changes to the fee schedules are attached to Agenda Item F.

The solid waste disposal tipping fee for contracted municipalities, private haulers, and government agencies is recommended to increase to \$52.25 from \$50.65, and the disposal-tipping fee for non-contracted municipalities, private haulers, and government agencies is recommended to increase to \$68.90 from \$66.80. Additionally, the transfer fee for all customers is recommended to increase to \$10.20 from \$10.05. Other solid waste requiring special handling per load (added to the disposal fee) is recommended to increase to \$52.25 from \$50.65. These recommended adjustments are in accordance with the July 2004, Consumer Price Index, South, and consistent with contractual fee increases incorporated in the 20-year interlocal agreements with municipalities and programmed in the Department of Solid Waste Management's (DSWM) multi-year financial plan as presented to the rating agencies. The fee schedule is outlined in Administrative Order 4-68 in Agenda Item F. Other changes to the schedule include increasing fees, on a per load basis, for clean yard trash disposal by permitted landscapers at Trash and Recycling Centers for trailers of six cubic yards or less, to \$18.93 from \$18.36, and for trailers with a capacity of greater than six cubic yards, to \$63.14 from \$61.26. The fee for clean yard trash disposal by permitted landscapers at disposal facilities is recommended to increase to \$6.31 from \$6.12 per yard. The residential solid waste collection fee and all other waste collection fees are recommended to remain at FY 2003-04 levels. It is recommended that the increases in revenue fund an increase in the Resource Allocation Plan funding for disposal costs (\$714,100) in collections, payments to the curbside recycling contractor (\$158,700) and Resources Recovery contract expenditures (\$678,300), be offset by a reduction in the previously programmed annual grant funding with the City of North Miami (\$305,500). In addition, the DSWM is recommending the implementation of administrative savings (\$64,000) through the elimination of one position.

Fee adjustments recommended for the Building Department for FY 2004-05 include establishing new fees for shop drawings, residential window permits, and 40-year re-certification extensions. The proposed additional fees will generate \$1.276 million in revenues to cover services currently being provided but not included in the fee schedule. In addition, the Department will be increasing the minimum fee for storm shutters, awning, and canopy permits, commercial window treatments, 40-year re-certification, microfilm research, and new construction/addition residential building permit fees for structures of less than 500 square feet (\$392,000). The proposed changes to the Building Department's fee schedule are attached to Agenda Item F.

Vizcaya Museum and Gardens is recommending an increase in fees for garden ceremonies, photo permits, and commercial photography and films to reflect market rates of peer organizations and to provide additional revenues totaling \$55,000. Approximately \$2,500 is anticipated from additional fees to be imposed on garden ceremonies having more than 25 guests. Facility rental clients have frequently requested guided tours of Vizcaya's historic interiors and therefore new rates are being proposed to cover expenses and generate income from such activities (\$5,000). New fees entitled "Educational Programs" are being introduced to allow Vizcaya to establish a graduated scale for its new educational programming based on program expense. The proposed changes to Vizcaya's fee schedule are attached to Agenda Item F.

Fee adjustments recommended for the Miami-Dade Seaport Department include increases to various charges including dockage, cargo and passenger wharfage, container crane rates, demurrage, storage, lease rates and other miscellaneous fees. The proposed changes to the Seaport's Tariff Number 010 schedule are attached to Agenda Item F.

Water and sewer retail rates are recommended to remain the same at this time. However, an increase in retail rates may be necessary in the future. The department will present a comprehensive fiscal forecast after closeout of FY 2003-04 and examination of the first quarter financial position. Miscellaneous fee adjustments are recommended for WASD at this time, including adjusted fees for floating meter damage and cleaning, refundable meter guarantee deposits, pipeline installation, and contractual weed control. Additionally, WASD is requesting the establishment of an overhead rate of 10.6 percent for work performed resulting from requests, billable damages, and contractual agreements. The department is also requesting adjustments for various building usage rating requirements. These fee changes are included in proposed revision to Administrative Order 4-110 is attached to Agenda Item F.

Fee adjustments recommended for the Miami-Dade Park and Recreation Department include increases in select seasonal golf rates, building rentals, Metrozoo admission, Crandon Park and Haulover Park parking, and Deering Estate permits for film and photo shoots; fees are also recommended for new services and programs at campgrounds, cultural facilities, and other parks; new Metrozoo fees are proposed for several revenue initiatives, including the safari cycles, monorail surcharge, and animal feeding stations. The proposed changes to the Park and Recreation Department's fee schedule are attached to Item F.

INFORMATIONAL REPORTS

1. Teen Court

In my Budget Message, I discussed the limitation resulting from the Article V revisions regarding revenues generated for functions of court innovations and technology, Law Library, Legal Aid, Teen Court, and juvenile diversion programs. We did an assessment of the Teen Court program to maximize the use of those revenues. Based on that review, the Teen Court Program will use carryover funding to maintain its current level of service through FY 2004-05, and future funding considerations will be made upon the evaluation of the program's performance and available funding.

2. Public Health Trust

As the Board is aware, there have been concerns regarding the financial status of the Public Health Trust (PHT) that I have been discussing with PHT President O'Quinn over the last several months. Staff from my office, OSBM, and I am working closely with President O'Quinn and his staff to help identify solutions to address these concerns, both short-term and for the future. We are making very good progress in helping the Trust address these fiscal challenges. We will provide more information for you at the second budget hearing.

3. County Attorney

Staff from the Office of Strategic Business Management (OSBM) has worked with the County Attorney's Office (CAO) regarding additional fees and charges from the State of Florida due to the implementation of Revision 7 to Article V. Staff has agreed that the impact on the CAO operating budget cannot be calculated with enough accuracy as yet to warrant change. Therefore, the CAO and OSBM will monitor these charges and, if necessary, report to the Board midway through FY 2004-05 on the impact.

4. Medical Examiner

The pursuit of state funding for DUI toxicology lab services contract currently funded in the Medical Examiner's budget will be included in the state legislature package for your approval. Staff is currently researching statutory responsibility for this function and funding in other counties.

5. Domestic Violence Center

As I stated in my memorandum dated October 29, 2003, regarding the Domestic Violence Oversight Board (DVOB) review, at present, staff does not believe there is sufficient funding from the Food and Beverage tax proceeds to operate a second domestic violence shelter in the long-term. Therefore, I am directing that staff from my office and the Office of Strategic Business Management work with the DVOB to determine funding alternatives before any acquisition or construction takes place.

6. Public Safety Departments Reorganization

During the FY 2003-04 budget hearing, Commissioner Martinez directed staff to study the feasibility of merging the Miami-Dade Police Department (MDPD) and the Miami-Dade Corrections and Rehabilitation Department (MDCR). The Office of Strategic Business Management examined the potential merger of the departments from several perspectives, including operational effectiveness, human resources, and financial impact. Based on this analysis and discussions with the directors of both departments, I am recommending that MDPD and MDCR be sustained as separate departments, each retaining independent administrative functions. A full report is attached. (Attachment E).

MDPD and MDCR recognize the benefits of working together in an effort to strengthen and create efficiencies in their operations. The departments already collaborate on several information technology projects, training opportunities, and the procurement of items or services. Both directors are also committed to establishing future partnerships in promotional assessment center development and employee training opportunities, sharing internal affairs resources, and interagency Command Staff meetings (see Attachment F).

7. Police Department Issues

Commissioner Martinez also has inquired about the replacement plan for police patrol vehicles. Attached is a memorandum from MDPD Director Robert Parker addressing the issue (Attachment G).

In his July 27, 2004, response to the County Manager's FY 2004-05 Resource Allocation Plan, Mayor Alex Penelas asked that staff study the issue of creating additional Miami-Dade Police Department (MDPD) mini-stations or sub-stations in unincorporated neighborhoods in order to reduce response times.

An analysis has been prepared by MDPD to reflect the staffing and response time concerns (Attachment H). During FY 2004-05, MDPD will be opening an Agricultural Policing Unit to be located at SW 198 Street and Krome Avenue. Although additional facilities are not currently funded in the FY 2004-05 budget, the Department will continue working with the Board of County Commissioners, community groups and other interested parties to establish new opportunities to increase the visibility and presence of the Miami-Dade Police Department.

8. Fire Rescue Service

Subsequent to the release of the Proposed Resource Allocation Plan, concerns regarding the budget for the Fire and Rescue Department were raised. Staff from my office, the Office of Strategic Business Management, the Fire and Rescue Department and representatives of labor have worked closely together to confirm planned service expansion is possible within the resources allocated. As has been discussed with the Board previously, it may be necessary to increase the Fire Rescue District millage rate or identify another non-ad valorem source of revenue in the future in order to support existing service and continued service expansion.

Miami-Dade County Fire Rescue Station 15 on Key Biscayne provides fire-rescue service to the Crandon Park area and along portions of the Rickenbacker Causeway. The City of Miami also has some fire-rescue responsibility along the west end of the Causeway. Currently, the County rescue unit at Station 15 is not a full-time operation. The Village of Key Biscayne provides fire rescue service when the County unit is unavailable. The Village has requested the County to provide a full service unit or to pay the Village for back up. County staff has met with representatives of the Village several times to develop a recommendation regarding the request. In his budget response of July 27, 2004, the Mayor requested that we resolve the issue. It is our intention to develop a mutually satisfactory solution, and we report back to you when we have completed our recommendations.

9. Group Insurance

As part of this year's renewal process with our health plans, the four Health Maintenance Organizations (HMOs) were requested to provide both fully insured and self-insured quotes for consideration. The Executive Insurance Committee, comprised of senior staff, met with our consultant, Deloitte, to review renewal results. Given the timing of the upcoming open enrollment period and the difficulty negotiating acceptable administrative fees from our largest HMO, the Committee voted to accept the fully insured rates submitted for the 2005 plan year. The County will continue to offer four fully insured HMOs plans, along with the self-insured Point of Service plan. Premium increases for the medical plans range from no increase to 26.8 percent. Dental plan increases range from no increase to 8.1 percent. The anticipated County contributions for calendar year 2005 are approximately \$161 million for medical insurance and \$6.6 million for dental insurance. The budgeted County contribution per employee will increase from \$5,550 in FY 2003-04 to \$6,350 in FY 2004-05 to fund the additional costs. I intend to recommend bidding out HMO services on a self-insured basis for the 2006 plan year to realize expected health insurance program cost savings while preserving employee benefit levels.

10. Community-Based Organizations and Commission Office Budgets

The FY 2004-05 Proposed Resource Allocation Plan includes funding for the Mom and Pop Grants program (\$1.3 million) and the Commission Discretionary Reserve Funds (\$3.9 million). To allow for the opportunity to receive input from the Board and the general public at the first budget hearing, recommendations regarding discretionary General Fund CBO allocations (\$3 million) will be provided before the second budget hearing on September 23. The countywide and district-specific in-kind reserve is also included in the Proposed Resource Allocation Plan (\$500,000) and funding for the following in-kind allocations is included as departmental line items in the FY 2004-05 budget: Martin Luther King Parade and Festivities in Homestead, West Perrine, and Liberty City (\$170,000), Miami Beach Memorial Day Event (\$305,000), and Miami Tropical Marathon (\$16,750). Small CBO set-aside grants, allocated through the Alliance for Human Services (AHS), are awarded on a three-year cycle. The current cycle began July 1, 2004, and continues through June 30, 2007. Funding for existing small CBO set-aside grants is

2004, and continues through June 30, 2007. Funding for existing small CBO set-aside grants is included in the Proposed Resource Allocation Plan (\$751,790). Grants awarded under the AHS District Responsive Grants process have a one-year term (July 1, 2004 – June 30, 2005). The Proposed Resource Allocation Plan includes funding to continue the District Responsive Grants program (\$1.3 million).

I will be recommending changes to the application and monitoring process for allocations made from Commission District Discretionary Reserve and office funds to improve the overall process and expeditiously distribute allocated dollars. Staff will have the ability to waive affidavits of compliance with various County policies or requirements for non-profit organizations receiving funding, notwithstanding any other provision of the County Code. The funding and detailed process recommendation will be provided to you before the second budget hearing on September 23.

In considering your funding recommendations, it is important to note that consistent with Ordinance 97-88, relating to discretionary reserve fund expenditures, a County commissioner leaving office as of November shall be prohibited from proposing or making an expenditure in excess of 10 percent of his or her discretionary reserve funds for the fiscal year commencing in the month he or she is scheduled to leave office. As a constitutional officer, per Florida Statutes, a County commissioner leaving office is also restricted to spending 1/12 of the annual office budget for each month he or she remains in office, unless otherwise approved by the Board.

11. Child Care Purchasing Pool

The Child Care Executive Partnership (CCEP) is a public/private partnership program that helps employers meet the needs of a growing segment of their workforce, working parents. Funding for the CCEP program is provided annually through federal and state sources. These dollars are matched with funding from local governments, businesses, and charitable foundations, on a dollar-for-dollar basis and distributed as child care benefit payments to child care providers on behalf of employees of participating business employers and families on the local child care waiting list who qualify for child care assistance. Since FY 1997-98 to FY 2003-04, the County has contributed \$20 million to the Child Care Purchasing Pool, which leveraged an additional \$17 million from the state. The state reduced its contribution for FY 2004-05, from \$5.5 million to \$4.4 million which will impact approximately 300 children. The FY 2004-05 Resource Allocation Plan recommends the County's match remain at the current year level of \$5.5 million (\$1.1 million more than the required match). The Child Development Services Division is currently working with the Children's Trust to develop additional resources to replace the reduced state funding.

12. Law Library

In cooperation with the Eleventh Judicial Circuit, staff has concluded a preliminary review of the potential consolidation of the Law Library into the Miami-Dade Public Library System, effective October 1, 2004. It was determined that consolidation is an option to address the impact from Revision 7 to Article V of the State Constitution, ensure continuity of service, and potentially increase the access to legal information for court patrons.

It is proposed that the County begin the process of planning for the transition of the Law Library into an operational unit of the Miami-Dade Public Library System. For FY 2004-05, the Law Library's operations and staff have been included in the Miami-Dade Public Library System's table of organization. The Law Library's current operation will be fully supported by FY 2004-05

projected revenues and will not require any subsidy from the Miami-Dade Public Library System. In order to ensure the continued provision of Law Library services, in accordance with best practices, utilizing the most efficient methods possible, we will be contracting with a consultant, to be funded from available Law Library reserve funds, to conduct a complete operational review of the Law Library and provide recommendations on potential efficiencies from the consolidation into the Miami-Dade Library System in order to maximize services within available revenues. We will provide an updated report when recommendations are finalized.

Attachments

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